

# Exhibit 1C

9

## Albany County

# Department of **HUMAN RESOURCES**

**Daniel P. McCoy, Albany County Executive**  
**Jennifer Skelly Clement, Commissioner**

### MEMORANDUM

TO: Hon. Andrew Joyce, Chairman, Albany County Legislature

CC: Dennis Feeney, Majority Leader  
Frank Mauriello Minority Leader  
Majority Counsel  
Minority Counsel

FROM: Jennifer Skelly Clement, Commissioner of Human Resources

DATE: 08/13/2018

**RE: Albany County Prescription Drug Plan Administrator: Express Scripts**

Attached please find the RLA to approve the contract with Express Scripts as the Administrator for the Albany County Prescription Drug Plan for employees and retirees under 65.

Express Scripts was the selected bidder through the RFP process. Attached please find the recommendation from our benefits consultant, which includes the RFP score charts and summary analysis.

Please feel free to contact me with any additional questions you may have.

FOR COUNSEL USE ONLY	
Date Received:	8-15-18
Received by:	PM
Method: Hand:	L
Courier:	
Mail:	

## REQUEST FOR LEGISLATIVE ACTION

RLA #2917: Contract Authorization for Employee Prescription Drug Benefits

**DATE:** Monday, August 06, 2018  
**DEPARTMENT:** Human Resources  
Contact Person: Jennifer Clement, Commissioner  
Telephone: 518-447-5690  
Dept. Representative Attending Committee Meeting: Jennifer Clement, Commissioner

### PURPOSE OF REQUEST:

Adopting of Local Law	_____
Amendment of Prior Legislation	_____
Approval/Adoption of Plan/Procedure	_____
Bond Approval	_____
Budget Amendment (see below)	_____
Contract Authorization (see below)	<u>  X  </u>
Environmental Impact	_____
Home Rule Request	_____
Property Conveyance	_____
Other: (State briefly if not listed above)	_____

### CONCERNING BUDGET AMENDMENTS STATE THE FOLLOWING:

Increase Account/Line No. \_\_\_\_\_  
Source of Funds: \_\_\_\_\_  
Title Change: \_\_\_\_\_

### CONCERNING CONTRACT AUTHORIZATION STATE THE FOLLOWING:

#### TYPE OF CONTRACT:

Change Order/Contract Amendment	_____
Purchase (Equipment/Supplies)	_____
Lease (Equipment/Supplies)	_____
Requirements Professional Services	<u>  X  </u>
Education/Training	_____
Grant:	_____
New	_____
Renewal	_____
Submission Deadline Date	_____
Settlement of a Claim	_____
Release of Liability	_____
Other: (State briefly)	_____

**CONCERNING CONTRACT AUTHORIZATION (Cont'd)**

**STATE THE FOLLOWING:**

Contract Terms/Conditions:

Party (Name/Address)	Express Scripts One Express Way, St. Louis, MO 63121
Amount/Raise Schedule/Fee	\$0.00
Scope of Services	Employee Prescription Drug Plan

Contract Funding:

Bond Res. No.:	
Date of Adoption:	

**CONCERNING ALL REQUESTS:**

Mandated Program/Service:	Yes
If Mandated Cite: Authority	Albany County
Anticipated in Current Adopted Budget	Yes

County Budget Accounts:

Revenue	
Appropriation	

Fiscal Impact - Funding: (Dollars or Percentages)

Federal	0%
State	0%
County	100%
Local	0%

Term/Length of Funding:	36 Months (12/1/2018 - 11/30/2021)
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<u>Impact on Pending Litigation</u>	No
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If yes, please explain:	
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Previous Requests for Identical or Similar Action

Resolution/Law Number	
Date of Adoption	

Justification: (State briefly why legislative action is requested)

Employee Prescription Drug Benefit with Express Scripts. The term of the contract is for three years with two optional one year renewals.

Back-up Material Submitted: (i.e., application/approval notices from funding source, bid tabulation sheet, civil service approval notice, program announcement, contracts and/or any materials which explain or support the request for legislative action.)

[http://acvsp2010/sites/CALM/Lists/RLA/Attachments/2917/2018 Rx RFP Recommendation Memo \(2018\).doc](http://acvsp2010/sites/CALM/Lists/RLA/Attachments/2917/2018 Rx RFP Recommendation Memo (2018).doc)

<http://acvsp2010/sites/CALM/Lists/RLA/Attachments/2917/Prescription Drug RFP Cover.doc>

<http://acvsp2010/sites/CALM/Lists/RLA/Attachments/2917/Prescription Drug RFP Cover.doc>

Submitted by:	Jennifer Clement
Title:	Commissioner



~~LOCEY & CAHILL, LLC~~

~~WWW.LOCEYCAHILL.COM~~

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SYRACUSE, NY 13202-1138

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**MEMORANDUM**

**DATE:** JULY 13, 2018

**TO:** COUNTY OF ALBANY  
PERSONNEL COMMITTEE

**FROM:** LOCEY & CAHILL, LLC

**RE:** PRESCRIPTION BENEFIT MANAGER RFP SUMMARY AND RECOMMENDATION

Several months ago, the County of Albany with the assistance of its Employee Benefits Consultant, Locey & Cahill, LLC, developed and distributed a Request for Proposal for a Prescription Benefit Manager to provide service to the County's self-insured prescription drug benefit plan.

**BACKGROUND**

The County currently operates their self-insured prescription drug benefit plan utilizing Express Scripts. This arrangement has been in place for several years.

The County of Albany currently has the following benefit plans:

Retail Pharmacy			Mail-Order Pharmacy		
Tier 1	Tier 2	Tier 3	Tier 1	Tier 2	Tier 3
Generic	Preferred Brand	Non-Pref. Brand	Generic	Preferred Brand	Non-Pref. Brand
\$5.00	\$5.00	\$5.00	\$0.00	\$0.00	\$0.00
\$7.00	\$7.00	\$7.00	\$0.00	\$0.00	\$0.00
\$10.00	\$10.00	\$10.00	\$0.00	\$0.00	\$0.00
\$5.00	\$15.00	\$30.00	\$0.00	\$0.00	\$0.00
\$0.00	\$15.00	\$30.00	\$0.00	\$15.00	\$30.00
\$0.00	\$15.00	\$45.00	\$0.00	\$15.00	\$45.00
\$0.00	\$15.00	\$40.00	\$0.00	\$15.00	\$40.00
\$0.00	\$15.00	\$45.00	\$0.00	\$30.00	\$90.00
\$0.00	\$15.00	\$60.00	\$0.00	\$15.00	\$60.00

Please note, that each of the aforementioned co-payment plans have a mandatory generic substitution clause. If the member chooses to take the brand name medication, the member(s) monetary responsibility will include the designated co-pay plus the cost differential between the brand name drug and the generic equivalent.

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**THE RFP PROCESS**

The RFP requested information relevant to each organization's processes to support the County's contract terms and conditions including plan designs, drug costs, administrative services and fees, pharmacy network adequacy, customer service capabilities, administrative support, customer references and compliance with State and Federal Laws and Regulations.

The County received responses to the RFP from eight (8) vendors providing Prescription Benefit Management services for both retail and mail-order prescriptions. Each respondent provided a level of knowledge and experience relevant to working with other municipalities within New York State. These vendors included (in alphabetical order): Aetna, Benecard, CDPHP, CVS, Express Scripts, Keenan, Optum RX, and ProAct.

The RFP responses from each of the vendors were carefully analyzed and rated based on weighted criteria established in conjunction with the County's requirements.

**CRITERIA EVALUATED**

The PBM RFP Document identified several key areas of evaluation that would be used to determine each respondent's ability to provide the County of Albany with services necessary to operate their prescription drug plans in an efficient, cost-effective, and professional manner. We have provided the criteria below for your reference and review:

<u><b>CRITERIA</b></u>	<u><b>WEIGHT (%)</b></u>
1. Prescription Drug Reimbursement Levels Paid to the Pharmacies;	40%
2. Rebate Arrangement ;	20%
3. PBM Administrative Fees (including dispensing fees);	8%
4. Mail Order Program	7%
5. Specialty Drug Program	7%
6. Pharmacy Network Size and Location (Local and National);	5%
7. Customer Service Capabilities;	5%
8. Proposer Qualifications and References;	3%
9. Administrative Support (e.g., report generation, membership, and client support);	3%
10. Compliance with State and Federal Laws and Regulations.	2%
11. Contract Terms and Conditions;	0%

As you will note from the above, each criterion is given a weight based on the County's opinion of the importance of each evaluation parameter. Of course, greater weight is given to each respondent's abilities to control, lower, and /or stabilize the cost of providing the prescription drug benefits. This criterion is closely followed by service elements which will impact the County's ability to manage the plan and the services provided to the covered members. The goal of the evaluation process is to develop an understanding of each respondent's abilities, capabilities, and support mechanisms in place to help the County manage its prescription drug benefit plan.



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**INITIAL REVIEW**

The County of Albany with the assistance of Locey & Cahill, LLC evaluated, discussed, and rated the responses that were received. The initial review focused on narrowing the field of respondents to a group of finalists. There was no predetermined number of finalists sought in the process. Instead, each of the responses were evaluated and the process of narrowing the field from the initial evaluations began.

**EVALUATION AND SCORING**

**Criterion 1 - Prescription Drug Reimbursement Levels Paid to the Pharmacies (40%)**

Prescription drug reimbursement levels are typically on either an Average Wholesale Price (AWP) or Maximum Allowable Cost (MAC) pricing mechanism.

Average wholesale price "AWP" is the industry standard cost of a drug. This reimbursement level is calculated by taking the average cost of a "non-discounted" medication charged to a PBM by a large group of pharmaceutical wholesalers. In most cases, PBM's will refer to their reimbursement level as a percentage of the AWP. For instance, a PBM may refer to their reimbursement level at "AWP minus 17%." This represents the guaranteed level of discount that a Rx Plan can expect to receive.

A summary of the quoted guaranteed reimbursement rates is provided below for your reference and review:

	Retail Pharmaceuticals			
	Brand Name		Generic	
	Discount	Dispensing Fee	Discount	Dispensing Fee
CDPHP	AWP-20.0%	\$0.75	AWP-81.5%	\$0.75
Kennan	AWP-16.25%	\$0.85	AWP-77.75	\$0.85
ProAct	AWP-15.2%	\$1.35	AWP-80.0%	\$1.40
Optum Rx	AWP-17.75	\$1.00	AWP-80.0%	\$1.00
Benecard	AWP-17.0%	\$0.90	AWP-80.0%	\$0.90
Aetna	AWP-18.5%	\$0.90	AWP-82.0%	\$0.90
Express Scripts	AWP-18.0%	\$0.40	AWP-82.5%	\$0.50
CVS	AWP-17.0%	\$0.55	AWP-80.0%	\$0.55

	Mail-Order Pharmaceuticals			
	Brand Name		Generic	
	Discount	Dispensing Fee	Discount	Dispensing Fee
CDPHP	AWP-25.0%	\$0.00	AWP-84.25%	\$0.00
Kennan	AWP-26.0%	\$0.00	AWP-40.0%	\$0.00
ProAct	AWP-25.0%	\$0.00	AWP-80.0%	\$0.00
Optum Rx	AWP-25.0%	\$0.00	AWP-85.0%	\$0.00
Benecard	AWP-24.0%	\$0.00	AWP-84.0%	\$0.00
Aetna	AWP-24.0%	\$0.00	AWP-84.0%	\$0.00
Express Scripts	AWP-24.5%	\$0.00	AWP-86.0%	\$0.00
CVS	AWP-25.5%	\$0.00	AWP-84.5%	\$0.00



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*However, in many cases the actual discount achieved by the pricing practices of the PBM is greater than this level of guarantee. Because of this fact, as part of the RFP process, we provided each respondent with a listing of 35 highly utilized medications and asked them to provide us with their actual reimbursement rate for each. Due to the confidentiality of this data, we are unable to share this data publicly. However, we were able to review this information as a way of confirming the reimbursement rates quoted by each PBM.*

The results of this far more detailed analysis are as follows:

Prescription Drug Cost Repricing Analysis	CDPHN	Keenan & Assoc	ProAct	Optum Rx	Benecard	Actna	Express Scripts	CVS
Prescription Drug Cost Repricing	\$39,125.97	\$40,216.38	\$39,410.07	\$0.00	\$736,899.00	\$39,555.14	\$40,120.15	\$46,784.98
Criterion Score	10.00	9.80	10.00	7.00	7.00	8.96	8.82	8.42
				Note that the Rx Drug Pricing was not supplied as requested by Optum Rx	Note that the Rx Drug Pricing provided by Benecard was not in adherence with RFP parameters			

Maximum allowable charge "MAC" refers to a specific group of medications which will be covered at a generic cost, which has been assigned by the PBM. The listing of these medications is distributed to participating pharmacies and may be open to further review and modification by the PBM.

As a general rule, the PBM will choose the lower of the two when establishing a reimbursement rate for a specific medication. Additionally, the cost of medications can change rapidly, due to the market supply and demand requirements. Vendors must evaluate their overall cost to purchase and distribute such drugs, therefore, requiring vendors to periodically evaluate their pricing mechanism.

The level of discounts associated with the quoted PBM's is valuable due to the overall financial impact it has on annual drug expenditures. The actual costs of the medications (ingredient costs) far outweigh the fees associated with the administration of the plan.

It is important to keep in mind that most of the sample prescription medications, which are used to establish the discounts associated with prescription drugs, are in large part priced by the incumbent and RFP respondents utilizing the AWP pricing methodology. These indices change frequently, and PBM's often adjust their AWP discounts on a monthly, semi-monthly, and even a weekly basis.

As can be seen on the above chart, the actual drug pricing models submitted by the various PBMs, outside of Optum, Benecard and CVS are all very competitive. This is not surprising in this very competitive marketplace.

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*Pricing Subcategory – Plan Design Issues*

The incumbent PBM (Express Scripts) has been administering an “open formulary” prescription drug program for the County of Albany. The plan designs utilize both a two-tier plan (generic drugs and brand name drugs) and a three-tier plan (generic drugs, preferred or formulary brand name drugs, and non-preferred or non-formulary brand name drugs). All of the benefit levels contain a mandatory generic substitution requirement which requires covered members to have their prescriptions filled with a generic medication when available and provided it is medically appropriate for the treatment of the illness or injury. If the member determines, at their discretion, that they want the brand name medication and not a generic substitute, they are required to pay the co-payment and the cost difference between the brand name drug and the related generic equivalent.

A drug “formulary” is a strategy which has been implemented over the years in an effort to combat the tremendous escalation in cost seen in this particular benefit plan by driving utilization to lower cost and equally effective medications. A “formulary” is a listing of prescription medications which are authorized by the individual insurance carrier or prescription benefit manager. These particular drugs are ones which the PBM typically has a significant discount arrangement with or are medications which have been proven to be cost-effective from a disease management perspective. Prescription medications included in the “formulary” are dispensed by participating pharmacies to enrolled members at a lower co-payment than those which are not listed in the formulary.

It should be noted that these listings or “formularies” are open to future modifications as new drugs come onto the market and as PBM’s negotiate reimbursement rates with manufacturers. Also, it is important to note that there are differences in the formularies between companies and a transition from the current PBM to a new PBM could alter some member’s out-of-pocket costs.

The concept of an “Open Formulary,” whether in a two-tier or three-tier format, enables the member to choose from all medications covered by the plan with no restrictions. Conversely, a plan which has a “Closed Formulary” has a restricted number of medication alternatives, in that all prescription medications must be chosen from the authorized listing of medications or the member may face a much higher financial obligation. Historically, Open Formularies lack cost containment measures and a prior authorization process, which has built-in parameters for certain high dollar medications. In turn, this allows physicians the freedom to prescribe medications without working within the parameters of a preferred drug listing.

Closed Formularies have strict Prior Authorization mechanisms, which limit the number of medications which can be prescribed and, in some instances, require mandatory generic substitution. This type of drug administration is prevalent in fully insured community rated plans, such as HMOs, and is less prevalent in self-funded, minimum premium, and administrative service only arrangements.

As stated earlier, the respondents to this RFP were all instructed to submit RFP’s which would provide benefits that are “equal to or better than” the current prescription drug benefit plan. This particular RFP was not intended to change any of the benefit parameters currently in place. As a result, we evaluated each proposer based on their ability to meet the test of “equal to or better than” the existing benefit plan.

All of the proposers indicated that they could comply with this requirement and that they would match the current plan parameters, including co-payments, mandatory generic substitution, and mail-order benefits offered.



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It should be noted that in addition to the base benefits provided by each proposer, each of the companies offer a Drug Utilization Review (DUR) Program. A DUR Program focuses on:

- The evaluation of utilization patterns;
- A review of medications to ensure they are not under or over prescribed; and
- An assessment of the appropriateness, safety and efficacy of drug use.

Typically, most DUR Programs emphasize cost, in addition to quality considerations, when administering a pharmaceutical drug management program. This is a necessary control feature which each of the responding PBM's provide. This control is warranted due to the ever-rising cost of medications and the proliferation of the marketplace with new and more expensive therapies every day.

**Criterion 2 – Rebate Agreements (20%)**

Another key component to the prescription drug reimbursement strategy is the rebates PBM's negotiate with certain manufacturers. A drug rebate is a monetary reimbursement to a PBM from the drug manufacturer. This reimbursement is based on volume. As a result, this cost component is directly influenced by the PBM's client(s) utilization of a particular medication. In today's market, with a myriad of high cost medications available, rebate programs can provide some needed financial relief to a prescription benefit program.

In addition to the discount arrangement associated with each RFP, rebates are a significant cost consideration. The County of Albany requested a "transparent pricing model which required PBM's to price their fees with 100% of the prescription drug rebates being passed back to the County.

All respondents agreed to the transparent pricing model with 100% of rebates being returned to the County.

**Criterion 3 – Administrative Fees (8%)**

The evaluation of each proposal from an administrative cost perspective requires a base understanding of the following definitions:

The *Administrative Fee* is the cost charged by the PBM for adjudicating either an electronic claim or a paper claim. This expense is charged on either a per claim basis or on a per member per month basis. This fee is retained by the PBM as reimbursement for providing the support services necessary for them to operate the prescription drug plan. These services include, but may not be limited to, customer service, claims adjudication, pharmacy network management, reporting, employer support services, membership and billing, and drug utilization review and management.

The *Dispensing Fee* is reimbursement for the cost incurred by the PBM to have the pharmacist dispense a medication. These fees include the cost for the staff's time, container, label, and any supplemental paperwork required by the plan. This fee is retained by the pharmacist. This is not an ingredient cost and is more closely aligned with the administrative process associated with the dispensing and claims process associated with a prescription drug purchase.

The County of Albany sought proposals for a "transparent pricing" model. As a result, the only fees paid to the PBM will be those fees billed directly to the County. The PBM will not have the ability to retain any portion of the negotiated price relative to the ingredient cost nor will they be able to retain any portion of the prescription drug rebates.

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RX Administration Services	CDPHN	Keenan & Assoc	ProAct	Optum Rx	Benecard	Aetna	Express Scripts	CVS
Electronic Claim	\$0.10	\$2.87	\$1.95	\$1.10	\$0.90	\$0.00	\$0.40	\$1.15
Retail Pharmacy Claim	\$0.60			\$1.10	\$0.90	\$0.00	\$0.40	
Mail Order Pharmacy Claim	\$0.60			\$1.10	\$0.90	\$0.00	\$0.40	
Specialty Drug Claim	\$0.60						\$0.40	
Paper claim - direct submission	\$1.50		\$2.00	\$2.50 Per Clm	\$2.50 per submission	\$0.00	\$3.00	\$1.50
Prior Auth/Medical Exception claim			\$40.00	\$50 per review	\$45 per clinical review	\$0.00	\$55.00	\$35.00
Drug utilization Review (DUR) services			Included	Included	Basic POS Included	\$0.00	Concurrent Included, Retro .05PMPM	
Paper Submissions (Eligibility, COB)	\$1.50		\$0.00	\$2.50	\$2.50	\$0.00	\$10.00	
Rebate Program				>100% of rebate quote or 100% of rebates	Included - 100% passthrough	100% passthrough	Included	
Full Installation Charge (Flat Fee)			Included	Included	Included	\$0.00	Included	
<b>Miscellaneous Charges</b>								
Underwriting Charges			Included	Included	Included	Included	Included	
Custom Report Generation			\$150 per Hour	\$150 Per Hour	\$150 Per Hour	++	Reporting Suite Included	\$150 per hour
Employee ID Cards			Included	Included	Included	Included	Initial Included	
Claim Forms			Included	Included	Included	Included	Included	
Formulary Booklets			Included	Included	Included	++	Included	
Enrollment Packages			Included	Included	Included		Included	
Run out processing			Included		Included up to 6 mos.		Included	
Banking Fees			Included	Included	Included		No charge from ES	
Notes			Add'l fees for online eligibility, reporting, etc.					
Additional Notes								
<b>Criterion Score (1-10)</b>	<b>10.00</b>	<b>7.00</b>	<b>9.00</b>	<b>9.50</b>	<b>9.50</b>	<b>10.00</b>	<b>10.00</b>	<b>9.25</b>

**Criterion 4 – Mail Order Program (7%)**

Most of insurance plans offer a prescription benefit provided through a Mail Order Program. A **mail order pharmacy** allows you to **order** new prescriptions and refill medications on the web, and have them mailed directly to you.

Mail order pharmacies are very convenient. You simply place your order over the phone or the Internet and have the prescriptions shipped directly to your home. You don't have to drive to a pharmacy, wait for you prescription to be filled, and then stand in line at the register. If you suffer from a chronic condition that requires monthly medications, you can save multiple trips to the pharmacy by having your prescriptions sent to you on a monthly basis. Another benefit of mail order pharmacies is price. Because online pharmacies don't have a physical pharmacy, just a warehouse full of stock, they are able to keep their costs low and subsequently sell drugs for a very attractive price. By ordering your prescriptions in 60 or 90-day supplies, the savings can add up quickly.



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Questions	CDPHN	Keenan & Assoc	ProAct	Optum Rx	Benecard	Aetna	Express Scripts	CVS
Location of mail order pharmacy -26	All states allow	(Express Scripts) AZ,IN,MS,NJ,NM,NY, OH,PA	Gouverneur, NY	CA, IL, KS, MI	Mechanicsburg, PA	Kansas City, MO, Orlando FL	AZ(2), IL, MO, NJ, NM, NY, OH, PA	IL, PA, TX, AZ, TX
Date facility became operational -26	1986-2012	1993	2004	2000-2015	2009	1990	1987	1996-2012
Number of pharmacists employed -26	271	683	7	1284	10	51	2,307	271
Facility weekly dispensing capacity -26	1,500,000	4.38 mil	13,500	43,988,750	75,000	400,000	4.35 mil	1.5 mil
Average # of Rxs filled per week (2016)	724,554	120.2 mil	18,000	93,161,257	9,876	66,261	2.31 mil	785,202
State regs for generic substitution -27	All states allow	Follows each state's specific laws based on the state processing and clinical review is located.	Follows rules and regulations of NYS.	Follow resident state regs, or DEA for controlled substance.	If prescriber allows for substitution, member has option to request brand.	NYS has no specific restrictions	Complies with applicable state laws where pharmacy is located	Complies with applicable State and Federal Regulations
State regs for maximum prescription fill -27	CVS requires 6 mo window on drug expiration	Follow NYS regs regarding generic substitution, expiration of Rx	Maximum life of prescription in NY is 1 year.	Yes of the resident state	Adhere to all DEA, state and federal guidelines. Maximum expiration date is one year from dispensing date	Not answered	Complies with applicable state laws where pharmacy is located allow 1 year from date of issuance.	Not Answered
State regs for interstate shipments -27	Only in Hawaii and limited exceptions for controlled sub		Follow all regulations regarding interstate shipments	Yes, licensed in all 50 states	Licensed in all states to which they ship prescriptions and adhere to each state's rules and regulations.	Not answered	ES holds all required resident and non- resident pharmacy permits to ship, mail or deliver where patient resides.	Can be mailed between all 50 states with exception of Hawaii
Other state regs for drugs affecting dispensing -27	None mentioned		None mentioned	DEA rules	PA does not have more restrictive regs in place that would be limiting factors in dispensing into other states.	Not answered	Above included controlled substances	Controlled substance limits in some states
Do you fill for 90 days if Rx written for less -28	If multiple refill available will contact prescriber	Yes, will dispense up to the Plan limit for maintenance drugs	No, pharmacist will contact physician if written for less than 90 days	No	No	No, fill based on the amount prescribed.	ES will consolidate refills and dispense up to the plan limit for most maintenance drugs where allowed by state regulation and County benefit design.	If multiple refills available, prescriber is contacted
Turnaround Time -29								
1 Day	77.70%		100.00%	Clean Specialty Rxs(51%) - .87 days, Specialty Rxs w/ intervention (45%)-1.05 days	Avg turnaround for non- intervention claims is 2 days For orders with intervention avg is 5	91.4% clean claims	60.2%	77.70%
2 Days	14.65%						98.6%	14.65%
3 Days	5.12%						99.7%	5.12%
Ability to track, on line, where mail order Rx is throughout the dispensing process -30	Yes	Yes and members can track also	Yes, members can call Customer Svc to track order.	Yes	Yes	Yes	Yes	Yes
Criterion Score	8.69	8.00	8.09	8.46	8.91	7.27	10.00	7.69

In assessing the Mail Order Programs available through each of the Vendors submitting responses to the RFP, careful consideration was given to the Mail Order Program's ability to handle large volumes of transactions, provide short turn-around times from date of order and the ability to track the prescription throughout the process.

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**Criterion 5 – Specialty Drug Program (7%)**

Specialty Drug Programs are a service created to manage the handling and service requirements of specialty pharmaceuticals, including dispensing, distribution, reimbursement, case management, and other services specific to patients with rare and/or chronic diseases.

A Specialty pharmacy focuses on high cost, high touch medication therapy for patients with complex disease states. The disease states treated range from cancer, multiple sclerosis and rheumatoid arthritis to rare genetic conditions. A specialty pharmacist may work in a variety of practice settings.

Questions	CDPHN	Keenan & Assoc	ProAct	Optum Rx	Benecard	Aetna	Express Scripts	CVS
Pharmacy location -31	(CVS) PA,CA,MA,IL,NJ,K S,TN,NC,MI, FL,PR	(Aconedo) AZ,DE,FL,IN, PA,TN	(Noble Hth) Syracuse, NY	IN, NV	Mechanicsburg, PA	Orlando, FL	DE, FL, IN, PA TN(2)	(CVS) PA,CA,MA,IL,NJ KS,TN,NC,MI, FL,PR
Date operational -31	1989-2008	1983	2013	2013-2015	2009	2005	1989	1989-2008
Number of pharmacists -31	750	515	11	250	10	20	515	750
Dispensing capacity -31	223,000	4.39 mil	8,000	93,500	75,000	84% ???	4.38 mil	223,000
Avg weekly fill (2016) -31	178,846	120	1,500	93,161,257??	9,875 (Numbers the same as Mail Order #s.??)	10,941	2.31 mil	178,845
Dispensing and delivery procedures outlined -32	Yes	Yes, excellent process	Yes, good process	Yes	Yes, good process	Yes, Excellent process	Yes, excellent	Yes
On line ability to track drug throughout process -35	Yes	Yes, members can also track	Yes, Noble Hth has the ability to track	Yes	Yes	Yes	Yes	Yes
Method of contacting MD -39	Phone or Fax	Physicians receive an alert	Clinical pharmacist visits	Fax sent to MD	Written communications	Letter or phone call	Letter, fax or electronically	Message to MD
Physician profiling efforts conducted - 40	Quarterly to monitor quality and efficiency in 6 areas of resource utilization	Physician utilization, report cards, physician education	Physician Report Cards, pharmacist visits	Do not meet with MDs. Can send reports to client	Analytical reports and physician comparisons used to identify MDs with questionable prescribing habits	Integrated with health profiling.	Several resources to profile and educate MDs, including MD report cards, and direct communications with MD	Advanced analytics and reports to promote modifications in MD prescribing patterns
Disease Mgmt Programs conducted - 41	Patients can work with trained health care professionals	Keenan Pharmacy Care Mgmt Program, Express Scripts supports County DM initiative through Mango Hth	Programs for Autoimmune Diseases, HIV and Hepatitis C	Medication therapy Mgmt, Drug Util Review, Medication Adherence	Pt Of Safe counseling, Clinical oversight programs	Yes, Diabetes, Heart Failure, Heart Disease, Osteoporosis Respiratory conditions, Rheumatoid Arthritis	Yes, RationalMED targets members who have safety- related drug therapy conflict; ScreenRx- medication adherence program & Mango Health- fosters habits, knowledge and skills for better health	Eight disease states offered at no extra cost.
Adverse drug reaction reporting programs -42	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Pharmacist alerted to adverse drug reactions prior to filling through system edits -42	Yes	Concurrent DUR info supported by built in edits.	Yes, through system edits	Yes	Safety edits at point of sale	Yes, at point of sale	Yes, alerts pharmacist of potential health and safety concerns	Yes
How often are edits updated? -42	Monthly with new drugs added daily	Weekly migs to review new clinical info	Real time	Reviewed annually	Quarterly	At point of sale??	Weekly or as needed	at least annually
<b>Criterion Score</b>	<b>9.88</b>	<b>6.32</b>	<b>9.55</b>	<b>9.64</b>	<b>9.15</b>	<b>4.59</b>	<b>8.73</b>	<b>9.69</b>



COUNTY OF ALBANY MEMORANDUM  
RE: PBM RFP SUMMARY AND RECOMMENDATION  
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Review of a Vendors Specialty Drug Program focused again on dispensing volumes, dispensing protocols, ability to contact ordering physicians and again the ability to track the drug throughout the dispensing process.

**Criterion 6 – Pharmacy Network Size and Location (5%)**

The size and accessibility of a pharmacy network is an integral aspect of a PBM's capability to service the needs of the enrollees from a benefit perspective and to prevent exposing the County of Albany's covered employees, retirees, and their family members to considerable out-of-pocket expenses, which can exist through the use of non-participating pharmacies. In this section, we have analyzed the size and quality of the network of pharmacies for each respondent. The right combination of size, quality, and prescription drug reimbursement is a delicate balance, which needs to be selected carefully.

Questions	CDPHN	Kaenon & Assoc	ProAct	Optum Rx	BeneCard	Aetna	Express Scripts	CVS
Network pharmacy locations included on disk -19	On Disk	On USB Drive, not included	Disk not included with RFP	No disk	No disk	Yes	On flash drive	Yes
Network pharmacy locations included for 7 local counties -19	Yes	On USB Drive, not included	On Disk, not included	Yes, on paper	Yes, on paper	Yes, on disk	Yes, on paper	Yes
Willing to recruit pharmacies in Capital District region? -20	Managed by CVS. Two custom networks, Premier and Value. YES	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Ability to audit network membership -21	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Comply with the lower of UCR or negotiated pricing -21	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Agrees to accept DUR and plan parameter messages electronically -21	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Agrees to maintain records/prescriptions per state regulations -21	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Maintain signature logs per state regulations -21	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Verifiable records of authorization for refills -21	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Procedures followed to verify eligibility, collect proper copay and process claims -22	System edits in place.	Online transmission process verifies eligibility, checks utilization, copays, etc.	Online, point of sale adjudicated using system edits.	Systematically checks eligibility, benefits, etc.	System conducts edits on prescription, plan design and eligibility in real time	Pharmacists notified in real time	System adjudicates claim performing all edits and related functions.	System edits at POS to verify eligibility, copay, etc.
Procedures when system fails	Member pay cost and submit paper claim	Pharmacist log in to Express Scripts website	Pharmacist would call ProAct's Help Desk to provide information.	If system not restored in 15 minutes, Rx is filled and pending until system is restored. Member can also pay and submit paper claim	Issue not addressed	Pharmacist can call Help Desk, wait for system restoration or help complete a paper claim	Use Pharmacist Resource Center via 800# for point of sale processing, pricing, eligibility, benefits, etc.	Backup system is used when primary fails. If all fails, Pharmacist can call Help Desk, retain claim data and submit when system available or have member pay and submit paper claim.
Communication of potential fraud issues to County -23	CDPHP will be notified by CVS, then CDPHP will notify County	When fraud is identified regarding medications, investigative write researches and if substantiated, details provided to client	When fraud is identified Client is informed of issue and steps to be taken.	Client may be notified if fraud is detected, along with governmental agencies	Notification of potential fraud can be communicated to the County during quarterly performance meetings or through reports	Aetna Special Investigations Unit will report to Albany County any identified fraud.	Client notified if allegations are substantiated. Recommendations to curb abusive or fraudulent behavior provided.	Client notified if fraudulent or abusive activity identified that impacts plan.
Electronic audit of network pharmacies for: Avg Ingredient cost, Brand/generic dispensing, days supply, % of controlled substance, other - specify -24	All done quarterly except "controlled substance".	Desk and phone audits done daily.	Yes, with data collected Daily and Monthly	Yes, monthly	Yes, at time of adjudication for all	Yes, Daily	Daily for all, except % of controlled substance. Done ad hoc.	Yes, Quarterly
Percent of network pharmacies audited in 2015? -25	16.40%	03% in county of Albany, NY	3.00%	7.1% in county of Albany	2% dispensing more than 1,000 Rxs annually	Not readable	.03% in County of Albany, NY	7% of Network Pharmacies
Criterion Score	9.77	8.92	9.04	9.59	9.55	9.15	9.51	9.77

As part of the pharmacy network analysis, we requested a listing of the most highly utilized pharmacies from the incumbent PBM (Express Scripts). They provided us with a report which included the top 25 pharmacies utilized by the County of Albany. These pharmacies, including the mail-order facilities accounted for approximately 65% of the prescriptions filled by County of Albany covered members.



## COUNTY OF ALBANY MEMORANDUM

## RE: PBM RFP SUMMARY AND RECOMMENDATION

JULY 13, 2018

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This data was then utilized to compare each company's pharmacy network in terms of their participation rate with the most highly utilized pharmacies. Each of the respondents associated with this RFP process have networks which include every single one of the top 25 pharmacies utilized by the County of Albany.

To summarize, it is apparent that each of the PBM's responding to this RFP, including the incumbent, have adequate pharmacy networks for the Albany County area.

In terms of providing a "score" for each company in terms of the breadth and quality of their pharmacy network, we developed a scale for the number of pharmacies located in Albany County and each company's network as it relates to the most highly utilized pharmacies. Each of these scores was then combined to create a composite score for this particular criterion.

**Criterion 7 – Customer Service Capabilities (10%)**

As you are aware, a vendor's customer service abilities and resources, from a client's perspective, are of the utmost importance as this is the first line of contact for covered employees, retirees, and their family members. The following are significant areas of importance that allow for superior customer service and will assist the County of Albany to provide its members with the type of support they need and deserve.

Questions	COPHN	Keenan & Assoc	ProAct	Optum Rx	Benecard	Aetna	Express Scripts	CVS
Call Center Address -12	Albany, NY	Located in multiple states	Gouverneur, NY	9 locations; CA(2), FL(2), IL, KS, OK, OR, WI	Mechanicsburg, PA	San Antonio, TX	6 locations; AZ, FL(2), GA, MN, OH	7 locations; MS, TX TN(2), PA, AZ(2)
Mail Order Address -12	Scottsdale, AZ	Located in multiple states	Gouverneur, NY	4 locations; CA, KS, IN, NV	Mechanicsburg, PA	Kansas City, MO	AZ(2), IN, MO, NJ, NM, NY, OH, PA	IL, PA
Specialty Drug Address -12	Irving, TX	Located in multiple states	Syracuse, NY	2 locations; IN, NV	Mechanicsburg, PA	Orlando, FL	Orlando, FL	71 locations/32 states
Call Abandonment rate	0.80%	1.00%	<1%	1.30%	1.42%	.6%, Spec Drug=4%	1.0%, Spec Drug=2.65%	1.00%
Average Speed to Answer	9 sec		15 sec	22 sec	.20 sec	6.4sec, Spec Drug=<30sec	17.7sec, Spec Drug=29.6sec	16 sec
On line services for members/list	Yes		Yes	Yes	Yes	Yes	Yes	Yes
Web site address	www.cdohp.com		www.proactrx.com	optumrx.com	benecardpbf.com	www.aetna.com	ExpressScripts.com	CVS.com
Hours of operation - Retail -13	Hours vary by location	M-F-8:00AM-6:00PM	24/7	24/7	24/7	24/7	24/7	
Hours of operation-Mail order -13	24/7	M-F-8:00AM-6:00PM	24/7	24/7	24/7	24/7	24/7	24/7
Hours of operation - Specialty drug -13	M-F 7:30-7:30; Sat 8:00-3:00	M-F-8:00AM-6:00PM	24/7	24/7	24/7	24/7	24/7	24/7
Pharmacist availability for customer questions	24/7 for Mail and Specialty. Varies by location for Retail		24/7	24/7	24/7	M-F=7am-11pm. Sat=8-4:30pm	Yes, 24/7	24/7
Can EOB be sent to member/charge? 14	Yes/No chg	Yes/No chg	Yes/No chg	Yes, upon request	Yes/\$1.50 plus postage (available on web site)	Yes/no chg	Yes, for paper claims (\$1.35 if mailed), available on line for \$0.0	Available on web site
Ability to coordinate benefits for secondary claimants -15	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Process for screening for duplicate Rx's, therapeutic overlaps and early refills. -16	Online edits	Done on-line in real time	System edits real time	System edits to identify	System edits at point of sale	Medical claims in DUR process???	System edits	System edits in real time to identify
Process for establishing and maintaining formulary -17	P&T Comm	Three Committees focus on clinical factors with financial considerations.	P&T Comm criteria for safety, effectiveness, accepted by medical community, cost, superior outcomes vs	Optum P&T Committee review for clinical efficacy, safety, indications for use, etc.	P&T Comm evaluates new drugs based on efficacy and safety. Cost considered when two medications are 100% clinically equivalent.	P&T Committee meet quarterly. Drugs are approved based on quality, cost-effectiveness	Therapeutic Assess Comm focus on clinical factors, with financial considerations	P&T Committee reviews new drugs, meets quarterly, financial considerations not part of selection process
Copy of current formulary included	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Savings generated from non-intrusive formulary programs -18	Focused on lowest net cost, not rebates. 5 tier option to self-funded gprs.	Change to National Preferred Formulary	International Home Delivery Program, Copay Assistance Program, Half Tablet Program, +	Three tier with minimum copay differential of \$10, use of LM programs	Three formularies available	Formulary options, but not included	Formulary options	Multiple formulary options
Criterion Score	9.56	7.16	9.88	9.73	9.67	9.69	9.75	9.16



## COUNTY OF ALBANY MEMORANDUM

## RE: PBM RFP SUMMARY AND RECOMMENDATION

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**Criterion 8 – Proposer Qualifications and References (3%)**

In an effort to secure information relative to the quality of the services provided by each of the proposers, we conducted reference checks utilizing the contacts submitted by each of the respondents to the RFP. In addition, this criterion score was based on each respondent's experience working with large municipalities within the State of New York.

**Criterion 9 – Administrative Support (3%)**

The Administrative Support criterion evaluated the PBM's internal software and system capabilities. This process included a review of the following items:

1. **Explanation of Benefits:**
2. **Coordination of Benefits:**
3. **On-Line Access:**
4. **Report Generation:**

The ability of the PBM to provide these essential services is an integral part of the service they provide directly to the County. We developed a review model for this criterion which utilized the following breakdown of services:

Questions	CDPHN	Keenan & Assoc	ProAct	Optum Rx	Benecard	Actina	Express Scripts	CVS
Match benefit structure -6	Yes	Yes	Yes	Confirmed	Confirmed	Confirmed	Confirmed	Confirmed
Reporting capabilities -7	Works with CVS. Quarterly rpts include: Rx counts, cost top 25 drugs, top therapeutic class, pharmacy utilization and trends	Billing rpts, clinical rpts, trends, performance, costs, Rebate rpts, operational performance Rpts., Self-service rpts.	Predeline management reports produced quarterly, with monthly Cost, Utilization and Member Census Rpts.	Monthly & Quarterly to include: Utilization summary, brand vs. generic, Top drugs by cost, etc.	12 Standard Reports identified. No on-line access indicated	Standard and customized reports available. Samples NOT included	Full service reporting package, self service reports, performance reports, billing rpts, operational rpts, etc.	Online reporting tools for clients, with great functionality in determining types of reports
Online access for enrollment/eligibility -8	Yes, processed real time	Yes, updates immediately processed into the system	Yes, for viewing and updating...NOT initial entry.	Yes	Yes	Yes	Yes, real time updates and inquiries	Yes, updates immediately processed into system. Real time processing.
Common database for eligibility and benefit administration -9	Yes	Yes, single integrated claim processing system	Yes, to verify eligibility and benefits	Yes	Yes	Yes	Yes, integrated claims and patient info	Question was not adequately answered.
Ability to audit -10	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No. Employers Hlth contracts with 3rd party auditor.
Audit of claims, processes, records and contracts -10	Yes	Yes	Yes	Yes, to all	Yes	Yes	Yes	Client can audit with a mutually acceptable independent third party.
Report providing flow of transactions and control procedures -11	No	Yes	Yes	Yes	Yes	Yes	Yes, SOC1	SOC 1
Copy of SAS 70 or SSAE-16 provided -11	To be completed in 2nd half 2018	SOC1 Rpt included	SSAE-16 on disk not included in RFP received	SOC 1 Rpt provided	SOC 1 included	Not included with RFPs	Yes, SOC1 included	SSAE 16 included
Criterion Score	8.29	10.00	9.86	9.66	9.67	9.43	10.00	8.71



COUNTY OF ALBANY MEMORANDUM  
 RE: PBM RFP SUMMARY AND RECOMMENDATION  
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**Criterion 10 – Compliance with State and Federal Laws and Regulations (2%)**

As with the prior criteria, contract terms and conditions, all respondents appear to comply with all State and Federal Regulations associated with the administration of prescription benefit plans under either a contract of insurance or pursuant to an Administrative Services Only contract.

**Criterion 11 – Mandatory Documentation - Contract Terms and Conditions (0%)**

All respondents provided all of the mandatory documentation as part of this RFP Process. It is our professional opinion that each of these proposers meets the standard of compliance as set forth by the County of Albany in its request for proposal (RFP).

**CONCLUSION AND RECOMMENDATION**

Each of the Vendors submitting responses to the RFP provided sufficient evidence that they could manage the prescription drug program for the County. However, several factors, including, but not limited to, prescription drug reimbursement levels, administrative costs and customer support, when reviewed in comparison identified one company as providing greater drug cost savings, less administrative costs (no add on shipping costs) and facilitating customer service (member and group) by providing interactive use of technology.

The following is the scoring summary of the review of the proposals associated with this request for proposal process associated with the County's Prescription Drug Plan:

County of Albany Prescription Benefits Manager RFP Proposal Scoring Worksheet																		
Criteria Number	Criteria Description	Criteria Weight	CDPHP		Keenan		ProAct		Optum RX		Benecard		Aetna		Express Scripts		CVS	
			Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score
I	Drug Pricing	40%	10.003	4.001	9.800	3.920	10.000	4.000	7.000	2.800	7.000	2.800	9.951	3.984	9.823	3.929	8.424	3.368
II	Rebate Arrangement	20%	10.000	2.000	10.000	2.000	10.000	2.000	10.000	2.000	10.000	2.000	10.000	2.000	10.000	2.000	10.000	2.000
III	PBM Administrative Fees	8%	10.000	0.800	7.000	0.560	9.000	0.720	9.500	0.760	9.500	0.760	10.000	0.800	10.000	0.800	9.250	0.740
IV	Mail Order Program	7%	8.591	0.601	8.000	0.560	9.091	0.636	9.455	0.652	8.909	0.624	7.273	0.509	10.000	0.700	7.882	0.538
V	Specialty Drug Program	7%	9.858	0.680	6.321	0.442	9.651	0.689	6.944	0.486	9.150	0.641	4.588	0.321	9.733	0.611	9.693	0.679
VI	Pharmacy Network	5%	9.769	0.488	8.923	0.446	9.038	0.452	8.692	0.485	9.654	0.483	9.154	0.458	9.692	0.485	9.769	0.488
VII	Customer Service Capabilities	5%	9.583	0.478	7.156	0.358	9.875	0.494	9.725	0.486	8.869	0.483	9.588	0.484	9.750	0.488	8.156	0.458
VIII	References	3%	8.500	0.255	9.500	0.285	10.000	0.300	8.500	0.255	8.500	0.255	9.000	0.270	9.500	0.285	8.000	0.000
IX	Administrative Support	3%	8.286	0.249	10.000	0.300	9.857	0.298	8.857	0.298	9.671	0.287	9.429	0.283	10.000	0.300	8.714	0.261
X	Compliance with State and Federal Regulations	2%	10.000	0.200	10.000	0.200	10.000	0.200	10.000	0.200	10.000	0.200	10.000	0.200	10.000	0.200	10.000	0.200
XI	Mandatory Documentation	0%	Yes		Yes/Not signed		Yes		Yes		Yes		Yes		Yes		Yes	
Total Score		100%	97.625		50.712		97.683		84.295		85.324		93.095		97.976		87.334	

Based on the analysis of the information provided by each of the companies, feedback from municipalities currently utilizing each of the PBM's services, it is the opinion of Locey & Cahill, LLC, and thereby the recommendation that Express Scripts continue to be the vendor selected to administer the Prescription Drug Program for the County of Albany

**COUNTY OF ALBANY MEMORANDUM****RE: PBM RFP SUMMARY AND RECOMMENDATION****JULY 13, 2018****PAGE 14**

Locey & Cahill, LLC thanks the County of Albany for the opportunity to support this very important project and we stand ready to assist the County in the implementation of the Committee's recommendation.

As always, we are available to answer any questions relative to this analysis or any other issues the County of Albany is facing in the management of its medical and prescription drug benefit plans.

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## Albany County

Department of **HUMAN RESOURCES**

Daniel P. McCoy, Albany County Executive

Jennifer Skelly Clement, Commissioner

MEMORANDUM

TO: Hon. Andrew Joyce, Chairman, Albany County Legislature

CC: Dennis Feeney, Majority Leader  
Frank Mauriello, Minority Leader  
Majority Counsel  
Minority Counsel

FROM: Jennifer Skelly Clement, Commissioner of Human Resources

DATE: 08/13/2018

**RE: Albany County Dental Plan Administrator: Delta Dental**

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Attached please find the RLA to approve the contract with Delta Dental as the Administrator for the Albany County Dental Plan for non-union employees.

Delta Dental was the selected bidder through the RFP process. Attached please find the recommendation from our benefits consultant, which includes the RFP score charts and summary analysis.

Please feel free to contact me with any additional questions you may have.

**FOR COUNSEL USE  
ONLY**

Date Received: 8-15-18  
 Received by: PR  
 Method: Hand: ✓  
 Courier: \_\_\_\_\_  
 Mail: \_\_\_\_\_

**REQUEST FOR LEGISLATIVE ACTION**RLA #2919: *Contact Authorization for the Administration of the Employee Dental Plan*

**DATE:** Monday, August 06, 2018  
**DEPARTMENT:** Human Resources  
 Contact Person: Jennifer Clement, Commissioner  
 Telephone: 518-447-5690  
 Dept. Representative Attending  
 Committee Meeting: Jennifer Clement, Commissioner

**PURPOSE OF REQUEST:**

Adopting of Local Law \_\_\_\_\_  
 Amendment of Prior Legislation \_\_\_\_\_  
 Approval/Adoption of Plan/Procedure \_\_\_\_\_  
 Bond Approval \_\_\_\_\_  
 Budget Amendment (see below) \_\_\_\_\_  
 Contract Authorization (see below) X  
 Environmental Impact \_\_\_\_\_  
 Home Rule Request \_\_\_\_\_  
 Property Conveyance \_\_\_\_\_  
 Other: (State briefly if not listed above) \_\_\_\_\_

**CONCERNING BUDGET AMENDMENTS****STATE THE FOLLOWING:**

Increase Account/Line No. \_\_\_\_\_  
 Source of Funds: \_\_\_\_\_  
 Title Change: \_\_\_\_\_

**CONCERNING CONTRACT AUTHORIZATION****STATE THE FOLLOWING:****TYPE OF CONTRACT:**

Change Order/Contract Amendment \_\_\_\_\_  
 Purchase (Equipment/Supplies) \_\_\_\_\_  
 Lease (Equipment/Supplies) \_\_\_\_\_  
 Requirements Professional Services X  
 Education/Training \_\_\_\_\_  
 Grant: \_\_\_\_\_  
     New \_\_\_\_\_  
     Renewal \_\_\_\_\_  
     Submission Deadline Date \_\_\_\_\_  
 Settlement of a Claim \_\_\_\_\_  
 Release of Liability \_\_\_\_\_  
 Other: (State briefly) \_\_\_\_\_

**CONCERNING CONTRACT AUTHORIZATION (Cont'd)**  
**STATE THE FOLLOWING:****Contract Terms/Conditions:**

Party (Name/Address) Delta Dental  
250 W 57th Street #605, New York, NY 10107

Amount/Raise Schedule/Fee \$0.00

Scope of Services Administration of the Employee Dental Plan

**Contract Funding:**

Bond Res. No.:

Date of Adoption:

**CONCERNING ALL REQUESTS:**

Mandated Program/Service: Yes

If Mandated Cite: Authority Albany County

Anticipated in Current Adopted Budget Yes

**County Budget Accounts:**

Revenue

Appropriation

**Fiscal Impact - Funding: (Dollars or Percentages)**

Federal 0%

State 0%

County 100%

Local 0%

Term/Length of Funding: 36 Months (12/1/2018 - 11/30/2021)

**Impact on Pending Litigation** No

If yes, please explain:

**Previous Requests for Identical or Similar Action**

Resolution/Law Number

Date of Adoption

**Justification:** (State briefly why legislative action is requested)

Renewal of the contract with Delta Dental for the Administration of the employee dental plan.

**Back-up Material Submitted:** (i.e., application/approval notices from funding source, bid tabulation sheet, civil service approval notice, program announcement, contracts and/or any materials which explain or support the request for legislative action.)

[http://acvsp2010/sites/CALM/Lists/RLA/Attachments/2919/2018 Albany County Dental RFP Recommendation Memo \(06-21-2018\).pdf](http://acvsp2010/sites/CALM/Lists/RLA/Attachments/2919/2018%20Albany%20County%20Dental%20RFP%20Recommendation%20Memo%20(06-21-2018).pdf)

[http://acvsp2010/sites/CALM/Lists/RLA/Attachments/2919/Delta Dental.doc](http://acvsp2010/sites/CALM/Lists/RLA/Attachments/2919/Delta%20Dental.doc)

[http://acvsp2010/sites/CALM/Lists/RLA/Attachments/2919/Delta Dental.doc](http://acvsp2010/sites/CALM/Lists/RLA/Attachments/2919/Delta%20Dental.doc)

Submitted by: Jennifer Clement

Title: Commissioner



# LOCEY & CAHILL, LLC

ARMORY SQUARE  
120 WALTON STREET, SUITE 500  
SYRACUSE, NY 13202-1180  
TEL. 315-425-1424  
FAX. 315-425-1394

## MEMORANDUM

**DATE:** JUNE 21, 2018

**TO:** COUNTY OF ALBANY

**FROM:** LOCEY & CAHILL, LLC

**RE:** DENTAL RFP SUMMARY AND RECOMMENDATIONS

The County of Albany currently offers two (2) comprehensive dental plans which utilize a Preferred Provider Organization (PPO) for the delivery of care. Both Plans offer similar benefits with different levels of deductibles, coinsurance and maximums. This plan has been administered by Delta Dental.

Four (4) companies responded to the Dental RFP by submitting proposals to provide dental services to the County. Those companies submitting proposals included Delta Dental, Solstice, Empire BlueCross BlueShield and Aetna. Each of the proposals was reviewed and rated based on the criteria listed in the RFP. These criteria were weighted on relevance and included:

Criteria	Criterion Description	Weight	Delta Dental		Solstice		Empire		Aetna	
			Rating	Score	Rating	Score	Rating	Score	Rating	Score
1	Qualifications	10%	94	9.40	74	7.40	92	9.20	84	8.40
2	Client Support	10%	97	9.70	96	9.60	88	8.80	83	8.30
3	Member Services	10%	96	9.60	87	8.70	98	9.80	91	9.10
4	Plan Designs	10%	100	10.00	80	8.00	80	8.00	90	9.00
5	Provider Network	15%	100	15.00	82	12.30	90	13.50	86	12.90
6	Network Pricing	20%	90	18.00	50	10.00	75	15.00	100	20.00
7	Claim Adjudication	10%	98	9.80	89	8.90	93	9.30	89	8.90
8	Administrative Costs	15%	80	12.00	50	7.50	100	15.00	80	12.00
Mandatory Documentation			Yes		Yes		Yes		Yes	
Scoring Totals		100%	93.50		72.40		86.60		88.60	



MEMORANDUM

COUNTY OF ALBANY

RE: DENTAL RFQ SUMMARY AND RECOMMENDATIONS

JUNE 21, 2018

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In addition to providing information necessary for the evaluation of the above criterion, the RFP also required each company to submit mandatory documentation in support of their ability to offer dental insurance in the State of New York.

The following is an overview and analysis of the responses received.

**Qualification and References:** All four of the respondents appear to be qualified to provide dental coverage to the County. Solstice had the least number of years in business at 7 years and both Solstice and Aetna listed only 3 references for companies doing business in New York State.

**Client Support/Member Services:** All four vendors had good client and member support services available. Aetna offered the least in services available on line. Solstice did not provide information on how after hour calls were handled and had the highest speed to answer and call abandonment rates.

**Dental Plan Design:** Aetna's Plan Design matched the County's current design most closely. Solstice proposed plans with increased yearly maximums, higher coinsurance and lower deductibles. Empire's plans had some minor deviations from the current plan design.

**Provider Network Adequacy:** Delta Dental's Network, in the Albany County Region, has 745 dental providers at unique locations. Empire's Network, though listing 753 dental providers, only matched 402 of those in Delta's network. Aetna had 428 dentists with 328 matching Delta's network and Solstice's network listed 329 dental providers with only 177 matching the current network providers used by County of Albany members.

**Network Pricing:** Analysis was completed on the pricing of approximately 90 of the most utilized dental procedures billed to the County. The reimbursement fees listed by Solstice were significantly higher than those of any of the RFP respondents. Empire's rates were approximately 32% higher than the current Delta Dental rates. Aetna's reimbursement rates were the best with an approximate 15% reduction from current rates.

**System/Claim Adjudication Services:** All four vendors have the ability to satisfy claim adjudication services. Aetna had the lowest claim processing accuracy while Solstice had the highest claim turnaround times. Empire did not off a grievance process and Aetna charges a fee to act on claim appeals.

**Administrative/Premium Costs:** The RFP requested vendors to submit pricing for both an ASO administrative services contract and for a fully insured premium, if possible. All four vendors provided an ASO rate and both Delta Dental and Empire provided fully insured premium rates. The responses are listed below:

MEMORANDUM

COUNTY OF ALBANY

RE: DENTAL RFQ SUMMARY AND RECOMMENDATIONS

JUNE 21, 2018

PAGE 3

	Delta Dental		Solstice	Empire		Aetna
Criterion 8	Administrative & Other Fees for Services					
Admin Services (ASO) (PEPM) 2/1/18-1/31/2021	\$3.87			\$1.75		\$3.70 + 3% each year
Insured Option 2/1/18-1/31/2021	Plan 1	Plan 2		Plan 1	Plan 2	
Enrolled Only	\$25.03	\$40.09		\$24.08	\$37.78	
Enrollee + 1 or more Dependents	\$73.23	\$114.43		\$83.59	\$134.72	
Network Access Fees (PEPM)	None			N/A		.30 PEPM
Run-in processing (Flat Fee)	Not Applicable			N/A		N/A
Run-out processing (Flat Fee)	Included		\$8.29 per claim	N/A		.25 PEPM
Full Installation Charge (Flat Fee)	Not Applicable			N/A		.05 PEPM

After careful assessment and review of all the information provided by each of the vendors, it is the recommendation of Locey & Cahill, LLC that Delta Dental remain as the provider of Dental Services for County of Albany. This recommendation is based on the following facts:

- Delta is the incumbent and as such eliminates any issues of transition for the covered members which we were concerned would have been numerous affecting Albany County employees negatively
- Delta's network offers a significant number of providers not available in the other networks which if chosen would have caused members to either have care rendered out-of-network at a greater cost to them or they would have been required to change dentists.
- Delta provided a three-year rate guarantee with years 4 and 5 capped at 4%. It is our professional opinion that Delta Dental has delivered a quality dental product to the County over the years and that their level of administrative fee increases has been reasonable and prudent.

As always, we are available to address any questions you may have relative to this analysis. We thank you for your time and the opportunity to assist the County of Albany in this matter.



11

## Albany County

Department of **HUMAN RESOURCES**

Daniel P. McCoy, Albany County Executive  
Jennifer Skelly Clement, Commissioner

MEMORANDUM

TO: Hon. Andrew Joyce, Chairman, Albany County Legislature

CC: Dennis Feeney, Majority Leader  
Frank Mauriello Minority Leader  
Majority Counsel  
Minority Counsel

FROM: Jennifer Skelly Clement, Commissioner of Human Resources

DATE: 08/13/2018

**RE: Medicare Advantage Plan Administrator: Empire**

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Attached please find the RLA to approve the contract with Empire as the Administrator for the Medicare Advantage Plan for Medicare Eligible Retirees.

Empire was the selected bidder through the RFP process. Attached please find the recommendation from our benefits consultant, which includes the RFP score charts and summary analysis.

Please feel free to contact me with any additional questions you may have.



**FOR COUNSEL USE  
ONLY**Date Received: 8-15-18Received by: PKMethod: Hand: ✓

Courier: \_\_\_\_\_

Mail: \_\_\_\_\_

**REQUEST FOR LEGISLATIVE ACTION***RLA #2918: Contract Authorization for administration of the Medicare Advantage Plan for Retirees*

**DATE:** Monday, August 06, 2018

**DEPARTMENT:** Human Resources

Contact Person: Jennifer Clement, Commissioner

Telephone: 518-447-5690

Dept. Representative Attending  
Committee Meeting: Jennifer Clement, Commissioner

**PURPOSE OF REQUEST:**

Adopting of Local Law \_\_\_\_\_

Amendment of Prior Legislation \_\_\_\_\_

Approval/Adoption of Plan/Procedure \_\_\_\_\_

Bond Approval \_\_\_\_\_

Budget Amendment (see below) \_\_\_\_\_

Contract Authorization (see below) X

Environmental Impact \_\_\_\_\_

Home Rule Request \_\_\_\_\_

Property Conveyance \_\_\_\_\_

Other: (State briefly if not listed above) \_\_\_\_\_

**CONCERNING BUDGET AMENDMENTS****STATE THE FOLLOWING:**

Increase Account/Line No. \_\_\_\_\_

Source of Funds: \_\_\_\_\_

Title Change: \_\_\_\_\_

**CONCERNING CONTRACT AUTHORIZATION****STATE THE FOLLOWING:****TYPE OF CONTRACT:**

Change Order/Contract Amendment \_\_\_\_\_

Purchase (Equipment/Supplies) \_\_\_\_\_

Lease (Equipment/Supplies) \_\_\_\_\_

Requirements Professional Services X

Education/Training \_\_\_\_\_

Grant: \_\_\_\_\_

    New \_\_\_\_\_

    Renewal \_\_\_\_\_

    Submission Deadline Date \_\_\_\_\_

Settlement of a Claim \_\_\_\_\_

Release of Liability \_\_\_\_\_

Other: (State briefly) \_\_\_\_\_

**CONCERNING CONTRACT AUTHORIZATION (Cont'd)****STATE THE FOLLOWING:**Contract Terms/Conditions:

Party (Name/Address)	Empire BlueCross BlueShield 11 Corporate Woods Blvd. Albany, NY 12211
Amount/Raise Schedule/Fee	\$0.00
Scope of Services	Administration of a Medicare Advantage Plan for Albany County Retirees

Contract Funding:

Bond Res. No.:	
Date of Adoption:	

**CONCERNING ALL REQUESTS:**

Mandated Program/Service:	Yes
If Mandated Cite: Authority	Albany County
Anticipated in Current Adopted Budget	Yes

County Budget Accounts:

Revenue	
Appropriation	

Fiscal Impact - Funding: (Dollars or Percentages)

Federal	0%
State	0%
County	100%
Local	0%

Term/Length of Funding:	36 Months (12/1/2018 - 11/30/2021)
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<u>Impact on Pending Litigation</u>	No
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If yes, please explain:	
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Previous Requests for Identical or Similar Action

Resolution/Law Number	114
Date of Adoption	03/14/2011

Justification: (State briefly why legislative action is requested)

Contract authorization for the Administration of the Medicare Advantage Plan for Albany County Retirees

Back-up Material Submitted: (i.e., application/approval notices from funding source, bid tabulation sheet, civil service approval notice, program announcement, contracts and/or any materials which explain or support the request for legislative action.)

[http://acvsp2010/sites/CALM/Lists/RLA/Attachments/2918/Albany County MAP RFP Recommendation Memo.doc](http://acvsp2010/sites/CALM/Lists/RLA/Attachments/2918/Albany%20County%20MAP%20RFP%20Recommendation%20Memo.doc)

[http://acvsp2010/sites/CALM/Lists/RLA/Attachments/2918/Medicare Advantage Cover.doc](http://acvsp2010/sites/CALM/Lists/RLA/Attachments/2918/Medicare%20Advantage%20Cover.doc)

[http://acvsp2010/sites/CALM/Lists/RLA/Attachments/2918/Medicare Advantage Cover.doc](http://acvsp2010/sites/CALM/Lists/RLA/Attachments/2918/Medicare%20Advantage%20Cover.doc)

Submitted by:	Jennifer Clement
Title:	Commissioner

~~LOCEY & CAHILL, LLC~~

ARMORY SQUARE

120 WALTON STREET, SUITE 500

SYRACUSE, NY 13202-1180

TEL. 315-425-1424

FAX. 315-425-1394

**MEMORANDUM****DATE: JULY 9, 2018****TO: COUNTY OF ALBANY****FROM: LOCEY & CAHILL, LLC****RE: MEDICARE ADVANTAGE PLAN (MAP) RFP SUMMARY AND RECOMMENDATIONS**

The County of Albany currently offers two (2) Medicare Advantage Plans to Medicare eligible retirees through MVP Healthcare. One Plan, USA Care PPO, covers members residing in the MVP Network area, the other Plan covers members residing outside of this area.

Six (6) companies responded to the request for a Medicare Advantage Plan from within the RFP for Medical Services to be offered to the County. Those companies submitting proposals included MVP, Empire BlueCross, Aetna, BlueShield of NENY, Humana and CDPHD. Each of the proposals was reviewed and rated based on the criteria listed in the RFP, with the exception of those areas highlighted in yellow below. Criterion numbers IV, V and IX were evaluated specific to the benefits, network and premium associated with the Medicare Advantage Plans. These criteria were weighted on relevance and included:

Criterion Number	Criterion Description	Criterion Weight
I	Proposer Qualifications and References.	10%
II	Client Support Services	10%
III	Member Services	10%
IV	Plan Design (Ability to provide equal to or better benefits)	20%
V	Provider Network Adequacy	15%
VII	Claim Adjudication Services	10%
VIII	Utilization Management	5%
IX	Premium - PMPM	20%
X	Mandatory Documentation	0%
<b>Total Score</b>		<b>100%</b>



MEMORANDUM

COUNTY OF ALBANY

RE: MAP RFQ SUMMARY AND RECOMMENDATIONS

JULY 9, 2018

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The following is an overview and analysis of the responses received.

**Qualification and References:** All six of the respondents appear to be qualified to provide coverage to for the County's Medicare eligible retirees.

Criterion Number	Criterion Description	Criterion Weight	MVP		Empire BlueCross		Aetna		BlueShield of NENY		Humana (MAP Only)		CDPHP	
			Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score
I	Proposer Qualifications and References.	10%	8.700	0.870	8.900	0.890	8.750	0.875	8.500	0.850	8.900	0.890	8.300	0.830

The above score was based on the responses to the Medical RFP, the references provided by each proposer, and the experience, knowledge, and opinion as to the capabilities of each company to administer the County's Medicare Advantage as well as Medical Plans.

**Client Support/Member Services:** There were a number of areas reviewed as part of this criterion evaluation which were included in the RFP document. These services are those services which most directly impact the County's customer service interaction with the company. The goal of this aspect of the review process was to identify and evaluate the service capabilities of each respondent to ensure it meets the needs of the County of Albany and its staff with the administration of the Plan. The evaluation process reviewed items which included, but were not limited to, the type of staff available, the hours of operation, on-line access to data and information, the availability of on-line enrollment and reporting. The scoring on this particular criterion is somewhat subjective as it relies upon the experiences of Locey & Cahill, LLC along with the responses to the RFP, and the ability of the proposer to convey their abilities during the finalists' on-site presentations.

Criterion Number	Criterion Description	Criterion Weight	MVP		Empire BlueCross		Aetna		BlueShield of NENY		Humana (MAP Only)		CDPHP	
			Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score
II	Client Support Services	10%	9.200	0.920	9.600	0.960	8.050	0.805	9.300	0.930	9.600	0.960	9.750	0.975
III	Member Services	10%	9.100	0.910	9.200	0.920	9.450	0.945	8.850	0.885	9.200	0.920	8.850	0.885

**Plan Design/Benefits:** This is one of the areas that were reviewed specific to the Medicare Advantage Plan's benefits currently being offered. As previously mentioned the County currently provides two plans to accommodate members that live within the MVP Network area as well as those that live in various areas throughout the United States. Basically the same benefits are available to all Medicare Advantage Plan members, however when services are obtained from providers outside of the MVP network higher copays and/or coinsurance may apply.



MEMORANDUM

COUNTY OF ALBANY

RE: MAP RFQ SUMMARY AND RECOMMENDATIONS

JULY 9, 2018

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Plan I						
Benefits	MVP Gold Anywhere PPO (MVP Network)	Empire BlueCross (Empire/BCBS Network)	Aetna (Medicare Providers)	BlueShield of NENY - PPO799 Opt 1	Humana	CDPHP
PCP Office visits	In \$10; Out \$25	In \$10; Out \$25	\$10	In \$10; OON \$10	In \$10; OON \$25	In \$10; OON \$25
Specialist Office Visits	In \$10; Out \$25	In \$10; Out \$25	\$15	In \$15; OON \$15	In \$15; OON \$25	In \$15; OON \$25
Hospital Inpatient Copay	In \$0; OON 20%	In \$0; OON 20%	\$0	In \$0; OON \$0	In \$0; OON 20%	In \$0; OON 20%
Emergency Room	\$65	\$65	\$65		\$65	\$65
Skilled Nursing Facility	In \$0(1-100 days); OON 20%	In \$0(1-100 days); OON 20%	\$0 days 1-100	In \$0(1-100 days); OON \$0	In \$0(1-100 days); OON 20%	In \$0(1-100 days); OON 20%
Eyewear	\$100 Allowance/2 years	\$100 Allowance/1 years	\$100 Allowance/2 years	Not Covered	Not Covered	\$100 Allowance/1 years
Hearing Aids	\$600 Allowance/3 years	\$600 Allowance/3 years	\$600 Allowance/3 years	\$699 Allowance/3 years	\$600 Allowance/3 years	\$600 Allowance/3 years
Dental	\$300 annual allowance-any services	Preventive Cleanings 2 per year; xrays, Exam (Add'l Option-Full dental \$1000 limit +\$14.59pm/pm)	Preventive 100%, Basic/Restorative 50% after \$25 Ded. \$750 Annual Max	Not Covered	\$300 annual allowance-any services	\$300 annual allowance-any services
OOP Max	\$4,000 combined In/OON	\$4,000 combined In/OON	\$4,000 combined In/OON	\$4,000 combined In/OON	\$4,000 combined In/OON	\$4,000 combined In/OON
Pharmacy	RX: \$0,\$5,\$5,\$5,\$5,\$5	RX: \$0,\$5,\$5,\$5,\$5,\$5	RX: \$0,\$5,\$5,\$5,\$5,\$5	Not Covered	RX: \$0,\$5,\$5,\$5,\$5,\$5	RX: \$0,\$5,\$5,\$5,\$5,\$5
DME, Prosthetics, Orthotics	\$0	\$0	\$0	20% Coinsurance	\$0	20% Coinsurance
Diabetic supplies	\$0	\$0	\$0	\$0	\$0	

PLAN II						
Benefits	MVP USA CARE PPO - Buy Up	Empire Blue Cross	Aetna	BlueShield of NENY - PPO799 Opt 2	Humana	CDPHP
PCP Office visits	\$10	In \$10; Out \$25	\$10	In \$10; OON \$25	\$10	
Specialist Office Visits	\$15	In \$10; Out \$25	\$15	In \$15; OON \$25	\$15	
Hospital Inpatient Copay	\$0	In \$0; OON 20%	\$0	In \$0; OON 20%	\$0	
Emergency Room	\$65	\$65	\$65		\$65	
Skilled Nursing Facility	\$0 days 1-100	In \$0(1-100 days); OON 20%	\$0 days 1-100	In \$0(1-100 days); OON 20%	\$0 days 1-100	
Eyewear	\$100 Allowance/2 years	\$100 Allowance/1 years	\$100 Allowance/2 years	Not Covered	\$100 Allowance/2 years	
Hearing Aids	\$600 Allowance/3 years	\$600 Allowance/3 years	\$600 Allowance/3 years	\$699 Allowance/3 years	\$600 Allowance/3 years	
Dental	\$300 annual allowance-any services	Preventive Cleanings 2 per year; xrays, Exam (Add'l Option-Full dental \$1000 limit +\$14.59pm/pm)	Preventive 100%, Basic/Restorative 50% after \$25 Ded. \$750 Annual Max	Not Covered	\$300 annual allowance-any services	
OOP Max	\$4,000 combined In/OON	\$4,000 combined In/OON	\$4,000 combined In/OON	\$4,000 combined In/OON	\$4,000 combined In/OON	
Pharmacy	RX: \$0,\$5,\$5,\$5,\$5,\$5	RX: \$0,\$5,\$5,\$5,\$5,\$5	RX: \$0,\$5,\$5,\$5,\$5,\$5	Not Covered	RX: \$0,\$5,\$5,\$5,\$5,\$5	
DME, Prosthetics, Orthotics	Eliminate 20% Coinsurance	\$0	\$0	20% Coinsurance	\$0	
Diabetic supplies	Eliminate 10% coinsurance	\$0	\$0	\$0	\$0	

Criterion Number	Criterion Description	Criterion Weight	MVP		Empire BlueCross		Aetna		BlueShield of NENY		Humana (MAP Only)		CDPHP	
			Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score
IV	Plan Design (Ability to provide equal to or better benefits)	20%	10.000	1.000	9.800	0.980	10.000	1.000	7.500	0.750	9.500	0.950	9.000	0.900



MEMORANDUM

COUNTY OF ALBANY

RE: MAP RFQ SUMMARY AND RECOMMENDATIONS

JULY 9, 2018

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The Plan Designs presented by each of the proposers generally provided similar benefits to those offered by the MVP Plans. Aetna's Plan offered benefits identical to those provided by the MVP Plans. The BlueShield Plan did not appear to offer any dental or prescription coverage as part of their submission and the DME was a lesser benefit. CDPHP only offered one plan with In and Out of Network Options, however some benefits were not equal to the MVP In network benefits (i.e. specialist office visits, DME). Empire also offered only one Plan similar to the USA Gold Anywhere Plan with additional dental options available. Humana's Plan did not offer any dental coverage.

**Provider Networks:** This is again a criteria that was evaluated based on the networks available for use by Medicare Advantage enrollees. MVP has developed its own network of providers for the MAP members residing in the Albany and surrounding counties. Members residing outside of the Albany area who do not or cannot use providers directly contracted by MVP can use Providers who are contracted to accept Medicare members and still receive benefits, usually at a lesser level.

Similarly, Empire BlueCross has a local network of providers in NY and also allows members to use providers associated with BlueCross BlueShield Association throughout the country. This network includes more than 90% of medical providers. Aetna allows their Medicare Advantage members to receive In-network benefits by using any providers that accepts Medicare patients. The chart below identifies the number of providers in the Albany and surrounding counties that would be available to Medicare Advantage Members. The vast majority of the Medicare Advantage Plan members reside in the Albany and surrounding areas.

	MVP	Empire BlueCross	Aetna	BlueShield of NE NY	Humana (MAP Only)	CDPHP
<b>Number of Primary Care Physicians</b>						
Albany County	571	860	609	431	348	280
Surrounding Counties	753	1,072	753	689	506	436
<b>Number of Specialists</b>						
Albany County	939	1,770	1,127	1,476	953	959
Surrounding Counties	1,187	2,574	1,629	1,589	1,010	868
<b>Number of Facilities</b>	8	10		11	7	8
Availability of state/national networks	Medicare Providers	Direct contracts with national and state wide contracts	Medicare Providers	BlueCard Program	No outside contractors used. All negotiated by Humana	Optum Health for transplants, cancer. MagnaCare and First Health for national providers



**MEMORANDUM**

COUNTY OF ALBANY

RE: MAP RFQ SUMMARY AND RECOMMENDATIONS

JULY 9, 2018

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Criterion Number	Criterion Description	Criterion Weight	MVP		Empire BlueCross		Aetna		BlueShield of NE NY		Humana (MAP Only)		CDPHP	
			Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score
V	Provider Network Adequacy	15%	8.500	1.275	10.000	1.500	9.500	1.425	9.000	1.350	7.500	1.125	7.000	1.050

**System/Claim Adjudication Services/Utilization Management:** These two criterium were again based on the information provided as part of the Medical RFP. The procedures for System/ Claim Adjudication Services and Utilization Management as they relate to the Medicare Advantage Plan would not differ from that of the general population.

Criterion Number	Criterion Description	Criterion Weight	MVP		Empire BlueCross		Aetna		BlueShield of NE NY		Humana (MAP Only)		CDPHP	
			Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score
VII	Claim Adjudication Services	10%	9.623	0.962	9.702	0.970	9.462	0.946	9.630	0.963	9.702	0.970	9.520	0.952
VIII	Utilization Management	5%	9.400	0.470	9.900	0.495	9.300	0.465	9.900	0.495	9.900	0.495	8.900	0.445

**Premium Costs:** The RFP requested vendors to submit pricing for both the current year (2018) and next year as of January 1, 2019 for each of the Plans offered. Due to Medicare requirements to provide at least a 90 day notice to members of any changes in benefits or pricing, we are only displaying rates that would be effective as of January 1, 2019. As an insured product, pricing should be stable throughout the year regardless of claim utilization.

	MVP Gold Anywhere PPO (MVP Network)	Empire BlueCross (Empire/BCBS Network)	Aetna (Medicare Providers)	BlueShield of NENY - PPO799 Opt 1	Humana	CDPHP
Plan I 2019 Rates PMPM (Gold Anywhere)	\$363.50	\$272.20	\$309.52	\$395.00	\$327.45	\$372.00
Plan II 2019 Rates PMPM (USA Care)	\$365.80	\$272.25	\$309.52	\$393.00	\$327.45	
Est Enrollment-Gold Anywhere - 125	\$45,437.50	\$34,025.00	\$38,690.00	\$49,375.00	\$40,931.25	\$46,500.00
Est Enrollment - USA Care - 1,065	\$389,577.00	\$289,946.25	\$329,638.80	\$418,545.00	\$348,734.25	\$396,180.00
Monthly Premium	\$495,014.50	\$323,971.25	\$368,328.80	\$467,920.00	\$389,665.50	\$442,680.00
Annualized Premium	\$5,220,174.00	\$3,887,655.00	\$4,419,945.60	\$5,615,040.00	\$4,675,986.00	\$5,312,160.00
Potential Savings From MVP		\$1,332,519.00	\$800,228.40	-\$394,866.00	\$544,188.00	-\$91,986.00

MEMORANDUM

COUNTY OF ALBANY

RE: MAP RFQ SUMMARY AND RECOMMENDATIONS

JULY 9, 2018

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Criterion Number	Criterion Description	Criterion Weight	MVP		Empire BlueCross		Aetna		BlueShield of NENY		Humana (MAP On(y)		CDPHP	
			Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score	Rating (1-10)	Score
IX	Premium - PMPM	20%	7.500	1.500	10.000	2.000	9.000	1.800	6.000	1.200	8.000	1.600	7.000	1.400
Total Score			100%		8.907		9.695		9.261		8.173		8.860	

After careful assessment and review of all the information provided by each of the vendors, it is the recommendation of Locey & Cahill, LLC that the County consider changing their Medicare Advantage Plan vendor from MVP to Empire BlueCross.

Detailed analysis of the providers available in the Albany and surrounding counties showed only a small number of providers in the MVP network, not included in the Empire network. There were approximately 22 doctors not in the Empire network, which would mean minimal disruption to current Medicare Advantage membership, while at the same time offering considerably more options in providers available for both primary and specialty care.

Empire was able to match the medical and prescription drug benefits and provide preventive dental coverage (Exam, X-rays and Cleanings) worth more than the \$300 dental benefit included by MVP. If the County should desire, a full dental plan worth \$1,000 in benefits can be included with an additional monthly premium of \$14.59 PMPM.

Most significant in the assessment of the vendors offering the Medicare Advantage Plan is the premium disparity between the current vendor (MVP) and Empire BlueCross. Albany County could potentially garner over \$1,000,000 in savings by offering the Empire Medicare Advantage Plan to retirees.

We thank you for your time and cooperation with this most critical matter. As always, please do not hesitate to contact us should you have any questions about this issue or should you require assistance of any kind.